

National Republican.

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TUESDAY, AUGUST 28, 1877.

AN ELASTIC CURRENCY.

The assertion is often made that we need an elastic currency. Money is a measure of value nothing more, nothing less. Its volume cannot be increased to any considerable extent without diminishing its purchasing power. It is often said that the volume of currency should be increased just after harvest for the purpose of facilitating the movement of crops to market. It is not true that any such increase is necessary. If we had a fixed volume of currency, that matter would always regulate itself; for it must be remembered that commerce between different sections of the country and between different nations is largely a mere exchange of commodities, the value of which is so nearly equal as to only require the settlement of the comparatively small balances in currency.

Another fact which must be considered is that the commerce of the world is now carried on almost exclusively by means of bills of exchange and bank checks, and that through the agency of clearing houses very little currency is actually handled in great commercial transactions and even the retail business of mankind is largely carried on through the exchange of credits by means of bank checks. However active, therefore, commercial transactions may be, there is no necessity for increasing the volume of currency to facilitate them. Healthy commercial prosperity results not from an abundance of money, but from an abundance of exchangeable commodities existing in regions separated from each, and the ultimate end of all commerce is simply the exchange of the surplus productions of the country for those of another.

The other machinery for effecting these exchanges, whether within the country or without, in the use of bills of exchange, only the smallest will result in the use of the other from large aggregate transactions, here settled by the mutual transmission of money. It is very important that these facts should be understood, for if the principle could be admitted that it is expedient to inflate the currency for any purpose, whatever it becomes at once the fruitful mother of many worse financial horrors.

An indispensable requisite of a sound currency is that it should be as far from fluctuations in its volume as possible, hence specie, or a currency redeemable in specie, is the only currency which should ever be tolerated in a civilized country. If paper money is only issued under regulations which will secure the prompt redemption in specie under all circumstances, there will be no room for any of that elasticity of the currency which some ill-informed political economists talk about.

It must be confessed that the financial outlook is not encouraging when we find eminent financiers objecting to a metallic currency because it is wanting in elasticity. It is that want of elasticity which renders the precious metals suitable for use as money, and any currency is worthless just in proportion as it varies from that fixed standard. All talk about an elastic currency is founded upon false ideas as to the nature and functions of money, and can only result in postponing the restoration of the use of the constitutional currency of the Republic.

MR. SPINNER'S VIEWS.

A recent interview with ex-United States Senator SPINNER represents him as in favor of an issue of legal tender notes convertible at any time into an interest-bearing stock of the United States, a stock for which the holder would get currency with accrued interest whenever he should desire. Mr. SPINNER does not state how he could make his notes legal tenders in the face of the prohibition in the Constitution. Nor does he propose to limit the legal tenders, but adopts the ironclad theory, which holds that the surplus currency should be invested in United States Bonds.

We are sorry that Mr. SPINNER should countenance a scheme which is at the best an untried theory, and can only tend to postpone the return to specie payment, now near at hand, provided the wise policy of the Administration is adhered to. Mr. SPINNER says his new legal tenders would soon, or does he tell, in the particular advantages there would be in arriving at specie payment by his plan, rather than by the operation of the resumption act. After all, no man proposes but another way of reaching the gold level. It would certainly better to go on with our present plan, rather than try new experiments for reaching precisely the same result.

OUR INDIAN POLICY.

The New York Herald can scarcely be in earnest in advising the Government to adopt the policy of encouraging hostility between our Indian tribes, and in that way unite them to kill each other off. Although such plans have been frequently used by the nations of Europe in dealing with savage tribes, the standard of public morality is too high in this country to permit the Government to pursue such a course, although it would be quite effective in accomplishing the proposed end, if we could properly consider it merely a question of getting them out of the way in the easiest manner possible.

Notwithstanding all the troubles we have had with the Indians we are bound in good faith, as well as from considerations of humanity and Christian Justice, to look upon their welfare. It is very true that our difficulties have greatly increased with them lately, but this is owing to the fact that our settlements have been pressing more closely every year upon their hunting grounds, and that sufficient care has been taken to protect them from the aggressions of the frontiersmen. At the same time that a policy has been pursued which has been calculated to provoke them to hostility, the traders have been allowed to furnish them with arms and munitions of war, which have rendered them an equal match for our soldiers in the field.

CHICAGO, Jan. 20, 1868.

DEAR Sir:—Some of your papers in the New York department in Congress sent me to a company of New York. I shall be glad to have that office, and sincerely address myself directly to you. I have been a resident of New York for nearly twenty years, till two months since, when I came home on leaving the War Department. I have New York its merchants and its politicians, but by reason of my connection with the party, I have been absent, as to be free from all identification with the political factions and personal controversies by which the Union party has been much divided. I believe that there is no party in the country which has not its faults, and much to justify even for him who is noblesse of that liberator—the name of the pacificator.

MODIFY THE NAVIGATION LAWS.

From the New York Tribune:

It is very evident the more we forget ourselves, the more we are exposed for foreign. The profits of their lucrative business would at least be divided with American owners if we were permitted to compete with them. Many of the ships now in the Atlantic and Mediterranean French lines are British construction, and our merchants were as free to buy iron steamships as any other nation. This is a serious consideration, and it is to be hoped that the Government will take steps to modify the navigation laws.

TOO MUCH POLITICS.

From the "Tarbo" Southerner:

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THE SPINNERS' VIEWS.

From the Atlanta Constitution:

If there existed in June any good reason why there should be an extra session of Congress, it is not apparent outside of Washington that such a session has been dictated. We all know that the administration of President Johnson was in the effort to derive a way of postponing the extra session three months, and how the very last moment of his administration was spent in the effort to keep the session from being held.

With the arrival of Mr. Hayes, and the assumption of his office, the session was to be held on the first day of October, and it was to be delayed until the second.

Mr. Hayes, however, has been compelled to

postpone the session to the third day of October.

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